

United States District Court

FOR THE
NORTHERN DISTRICT OF CALIFORNIA

VENUE: SAN FRANCISCO

UNITED STATES OF AMERICA,
V.

FILED

AUG - 7 2014

RICHARD W. WIEKING
CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

SI

CR 14 426

NICOLAOS MENIS,
a/k/a NICK MENIS,
a/k/a NICK GUERRERO,
a/k/a OSCAR GUERRERO,

DEFENDANT(S).

INDICTMENT

18 U.S.C. § 1349 - Conspiracy to Commit Mail Fraud;
18 U.S.C. § 1341 - Mail Fraud;
18 U.S.C. § 1956(h) - Conspiracy to Commit Money Laundering;
18 U.S.C. §§ 981(a)(1)(C) & 982(a)(1) & 28 U.S.C. § 2461(c) - Criminal Forfeiture

A true bill.

Nancy J. Peterson
Foreman

Filed in open court this 7th day of

August 2014.

John J. [Signature]
Clerk

Bail, \$ NO bail or arrest warrant

[Signature]
Nathanael Cousins
United States Magistrate Judge

AO 257 (Rev. 6/78)

DEFENDANT INFORMATION RELATIVE TO A CRIMINAL ACTION - IN U.S. DISTRICT COURT
 BY: ☐ COMPLAINT ☐ INFORMATION ☒ INDICTMENT
☐ SUPERSEDING
OFFENSE CHARGED
 18 U.S.C. § 1349 - Conspiracy to Commit Mail Fraud;
 18 U.S.C. § 1341 - Mail Fraud;
 18 U.S.C. § 1956(h) - Conspiracy to Commit Money
 Laundering; and
 18 U.S.C. §§ 981(a)(1)(C) & 982(a)(1) & 28 U.S.C. § 2461(c) -
 Criminal Forfeiture

☐ Petty
☐ Minor
☐ Misdemeanor
☒ Felony

PENALTY: See attached.

Name of District Court, and/or Judge/Magistrate Location

NORTHERN DISTRICT OF CALIFORNIA

SAN FRANCISCO DIVISION

DEFENDANT - U.S.
NICOLAOS MENIS, a/k/a NICK MENIS,
a/k/a NICK GUERRERO, a/k/a OSCAR GUERRERO.

DISTRICT COURT NUMBER

CR 14 426**FILED****AUG - 7 2014**
RICHARD W. WIEKING
 CLERK U.S. DISTRICT COURT
 NORTHERN DISTRICT OF CALIFORNIA
DEFENDANT**IS NOT IN CUSTODY**

Has not been arrested, pending outcome of this proceeding.

- 1)
- ☒
- If not detained give date any prior summons was served on above charges
-
- 2)
- ☐
- Is a Fugitive
-
- 3)
- ☐
- Is on Bail or Release from () District

IS IN CUSTODY

- 4)
- ☐
- On this charge
-
- 5)
- ☐
- On another conviction }
- ☐
- Federal
- ☐
- State
-
- 6)
- ☐
- Awaiting trial on other charges
-
- If answer to (6) is "Yes", show name of institution

 Has detainer been filed? ☐ Yes ☐ No

If "Yes" give date filed

DATE OF ARREST

Month/Day/Year

Or... if Arresting Agency & Warrant were not

DATE TRANSFERRED TO U.S. CUSTODY

Month/Day/Year

☒ U.S. Attorney ☐ Other U.S. Agency☐ This report amends AO 257 previously submitted**PROCEEDING**

Name of Complainant Agency, or Person (& Title, if any)

United States Postal Inspection Service
and Internal Revenue Service
☐ person is awaiting trial in another Federal or State Court, give name of court

☐ this person/proceeding is transferred from another district per (circle one) FRCrp 20, 21, or 40. Show District

☐ this is a reprosecution of charges previously dismissed which were dismissed on motion of:

☐ U.S. ATTORNEY ☐ DEFENSE

SHOW DOCKET NO.

☐ this prosecution relates to a pending case involving this same defendant

MAGISTRATE CASE NO.

☐ prior proceedings or appearance(s) before U.S. Magistrate regarding this defendant were recorded under

Name and Office of Person

Furnishing Information on this form MELINDA HAAG

Name of Assistant U.S. Attorney (if assigned)

Robert S. Leach**PROCESS:**
☐ SUMMONS ☐ NO PROCESS* ☐ WARRANT

If Summons, complete following:

☐ Arraignment ☐ Initial Appearance

Defendant Address:

Comments:

ADDITIONAL INFORMATION OR COMMENTS

Bail Amount: _____

* Where defendant previously apprehended on complaint, no new summons or warrant needed, since Magistrate has scheduled arraignment

Date/Time: _____ Before Judge: _____

3(b) & 3919(a)

MELINDA HAAG (CABN 132612)
United States Attorney

FILED

AUG - 7 2014

RICHARD W. WIEKING
CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

**SEALED
BY COURT ORDER**

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

SI

UNITED STATES OF AMERICA,

Plaintiff,

v.

NICOLAOS MENIS,
a/k/a, Nick Menis,
a/k/a, Nick Guerrero,
a/k/a, Oscar Guerrero,

Defendant.

No. **CR 14 426**

) VIOLATIONS: 18 U.S.C. § 1349 – Conspiracy
) to Commit Mail Fraud; 18 U.S.C. § 1341 –
) Mail Fraud; 18 U.S.C. § 1956(h) – Conspiracy
) to Commit Money Laundering; Criminal
) Forfeiture – 18 U.S.C. §§ 981(a)(1)(C) &
) 982(a)(1) & 28 U.S.C. § 2461(c)

) SAN FRANCISCO VENUE
)
)
)

INDICTMENT

The Grand Jury charges:

Introductory Allegations

At all times relevant to this Indictment:

1. NICOLAOS MENIS, a/k/a Nick Menis, a/k/a Nick Guerrero, a/k/a Oscar Guerrero, resided in Dollard-des-Ormeaux, Quebec, Canada. On or about March 31, 2011, Menis formed Search Engine Technologies Inc. as a Nevada corporation and was listed as its president, secretary, treasurer, and director. From on or about April 6, 2011, to on or about April 11, 2011, MENIS was listed as the president, secretary, treasurer, and director of Nation Wide Business Network Inc. and Internet Company Services Inc., both Nevada corporations, and the manager of National Business Network, LLC and On Line Business Systems, LLC, both Nevada limited liability companies.

INDICTMENT

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2. Between on or about May 11, 2009, and on or about January 17, 2014, MENIS caused the following additional entities to be formed in Nevada: American Business Network, Inc.; Internet Business Listings, Inc.; List Your Business Online Inc.; Internet Listing Solutions Inc.; Business Listing Solutions, Inc.; Internet Data Business Services, Inc.; Industry Optimization Systems, Inc.; US Online Business Solutions; and Data Source Systems Inc. These entities, along with Search Engine Technologies Inc., National Business Network, LLC, On Line Business Systems, LLC, Nation Wide Business Network Inc., and Internet Company Services Inc., are collectively referred to herein as the "Companies."

The Scheme to Defraud

3. Beginning at a time unknown, but not later than May 2009, and continuing through approximately June 2014, in the Northern District of California and elsewhere, the defendant,

NICOLAOS MENIS,
a/k/a Nick Menis,
a/k/a Nick Guerrero,
a/k/a Oscar Guerrero,

and others known and unknown to the Grand Jury, conspired to and did execute, and attempted to execute, a material scheme and artifice to defraud and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, and by omission and concealment of material fact.

4. As part of the scheme, MENIS sent, or caused others to send, invoices to small businesses, churches, cities, and others indicating that they owed payment for a service variously described as "business listing optimization," "business profile optimization," and "online business listing optimization," when in fact such services were never ordered. The invoices instructed the small businesses, churches, cities, and other persons to send payment – usually around \$500 – to a street address. The street address, in fact, was a UPS or similar mailbox rented by one of the Companies or another entity involved in the scheme.

5. As part of the scheme, MENIS used the following means and methods:

a. MENIS opened, or caused others to open, multiple United States bank accounts on behalf of certain Companies and other entities involved in the scheme.

b. MENIS caused others to open multiple mailboxes in various UPS stores, or similar stores, on behalf of certain Companies and other entities involved in the scheme, including box number 426 at a UPS store at 182 Howard Street, San Francisco, California 94105, opened in the name of National Business Network.

c. MENIS instructed, or caused others to instruct, UPS and similar stores receiving mail on behalf of certain Companies and other entities involved in the scheme to forward the mail to addresses in Canada or a mail forwarder near the Canadian border.

d. MENIS caused others to call, or receive calls from, small businesses, churches, cities, and other persons regarding the fraudulent invoices and falsely state that the small businesses, churches, cities, or other persons had ordered "business listing optimization" or similar services and owed the amount on the invoice.

e. MENIS caused the UPS or similar stores to forward checks received from small businesses, churches, cities, and other persons in payment of the fraudulent invoices to Canada.

f. MENIS caused others to endorse such checks and deposit such checks in United States bank accounts held by Companies and other entities involved in the scheme.

g. MENIS wired, or caused others to wire, some of the money deposited in United States bank accounts held by Companies and other entities involved in the scheme to accounts in Canadian banks.

6. Between in or about May 2009 and in or about June 2014, MENIS and others known and unknown to the Grand Jury, using this false billing scheme, collected approximately \$3.6 million from more than 4,000 victims and transferred more than \$3.6 million to Canada.

COUNT ONE: (18 U.S.C. § 1349 – Conspiracy to Commit Mail Fraud)

7. The factual allegations in Paragraphs 1 through 6 are re-alleged and incorporated by reference.

8. Beginning at a time unknown to the Grand Jury, but not later than in or about May 2009, and continuing until in or about June 2014, in the Northern District of California and elsewhere, the defendant,

NICOLAOS MENIS,
a/k/a Nick Menis,
a/k/a Nick Guerrero,
a/k/a Oscar Guerrero,

and others known and unknown to the Grand Jury, did knowingly conspire to devise a material scheme and artifice to defraud and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, and by omission and concealment of material facts, and did knowingly cause the United States mails and interstate carriers to be used for the purpose of executing and attempting to execute the scheme, in violation of Title 18, United States Code, Section 1341.

All in violation of Title 18, United States Code, Section 1349.

COUNTS TWO THROUGH FIVE: (18 U.S.C. § 1341 – Mail Fraud)

9. The factual allegations in Paragraphs 1 through 6 are re-alleged and incorporated by reference.

10. On or about the dates set forth below, in the Northern District of California and elsewhere, the defendant,

NICOLAOS MENIS,
a/k/a Nick Menis,
a/k/a Nick Guerrero,
a/k/a Oscar Guerrero,

did knowingly, and with intent to defraud, devise and intend to devise a material scheme and artifice to defraud and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, and by omission and concealment of material facts, and, for the purpose of executing such scheme and artifice and attempting to do so, did knowingly place in any post office or authorized depository for mail matter any matter or thing whatever to be sent or delivered by the Postal Service, and deposit and cause to be deposited any matter or thing whatever to be sent and delivered by private or commercial interstate carrier, and took and received therefrom such matters and things, and knowingly caused to be delivered by mail or such carrier according to the direction thereon or at the place at which it was directed to be delivered by the person to whom it was addressed such matters and things, namely:

COUNT	DATE	ITEM	TO	FROM
TWO	8/25/2011	\$497 payment	182 Howard St, # 426 San Francisco, CA	Naperville, IL
THREE	8/26/2011	\$497 payment	182 Howard St, # 426 San Francisco, CA	Ottawa, IL
FOUR	9/1/2011	\$496 payment	182 Howard St, # 426 San Francisco, CA	Butler, PA
FIVE	10/27/2011	\$497 payment	182 Howard St, # 426 San Francisco, CA	Klamath Falls, OR

All in violation of Title 18, United States Code, Section 1341.

COUNT SIX: (18 U.S.C. § 1956(h) – Conspiracy to Commit Money Laundering)

11. The factual allegations in Paragraphs 1 through 10 are re-alleged and incorporated by reference.

12. Beginning at a time unknown to the Grand Jury, but not later than in or about May 2009, and continuing until in or about June 2014, in the Northern District of California and elsewhere, the defendant,

NICOLAOS MENIS,
a/k/a Nick Menis,
a/k/a Nick Guerrero,
a/k/a Oscar Guerrero,

and others known and unknown to the Grand Jury, did knowingly conspire to commit money laundering, namely to transport, transmit, and transfer money from a place in the United States to and through a place outside the United States to promote the carrying on of mail fraud, as defined in Title 18, United States Code, Section 1956(a)(2)(A).

All in violation of Title 18, United States Code, Section 1956(h).

FORFEITURE ALLEGATION: (18 U.S.C. §§ 981(a)(1)(C) & 982(a)(1) & 28 U.S.C. § 2461 – Forfeiture of Fraud Proceeds; Money Laundering Forfeiture)

13. The factual allegations in Paragraphs 1 through 12 are re-alleged and incorporated by reference for the purpose of alleging forfeiture pursuant to Title 18, United States Code, Sections 981(a)(1)(C) and 982(a)(1), and Title 28, United States Code, Section 2461.

14. Upon conviction of any of the offenses alleged in Counts One through Five, the defendant,

NICOLAOS MENIS,
a/k/a Nick Menis,
a/k/a Nick Guerrero,
a/k/a Oscar Guerrero,

shall forfeit to the United States, pursuant to Title 18, United States Code, Section 981(a)(1)(C), and Title 28, United States Code, Section 2461, any property, real and personal, which constitutes or is derived from proceeds traceable to said violations, including but not limited to a sum of not less than \$3.6 million, representing the amount of proceeds obtained as a result of the offenses alleged in Counts One through Five.

15. Upon conviction of the offense alleged in Count Six, the defendant,

NICOLAOS MENIS,
a/k/a Nick Menis,
a/k/a Nick Guerrero,
a/k/a Oscar Guerrero,

shall forfeit to the United States, pursuant to Title 18, United States Code, Section 982(a)(1), any property, real and personal, involved in said violations, including, but not limited to, a sum of not less than \$3.6 million, representing the amount of funds involved in the offense alleged in Count Six.

16. If, as a result of any act or omission of the defendant, any of said property

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to or deposited with a third person;
- c. has been placed beyond the jurisdiction of the Court;
- d. has been substantially diminished in value; or
- e. has been commingled with other property which cannot be divided without difficulty;

any and all interest defendant has in any other property, up to the value of the property described in Paragraphs 13 through 15 above, shall be forfeited to the United States, pursuant to Title 18, United States Code, Sections 981(a)(1)(C) and 982(a)(1), and Title 28, United States Code, Section 2461.

1 All in violation of Title 18, United States Code, Sections 981(a)(1)(C) and 982(a)(1), and Title
2 28, United States Code, Section 2461.

3 DATED: August 7, 2014

4 A TRUE BILL

5
6 Nancy J. Peterson
7 FOREPERSON
8

9 MELINDA HAAG
10 United States Attorney

11 J. Douglas Wilson
12 J. DOUGLAS WILSON
13 Chief, Criminal Division

14 (Approved as to form: Robert S. Leach)
15 AUSA ROBERT S. LEACH
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